(a) whether it is a fact that the subsidy to be provided under fertilizer sector in the country by the Government during the year 2006-07 is likely to be more than the estimate for subsidy made in the budget;

(b) if so, the facts thereof and estimate with regard to subsidy made in the budget and estimated amount of actual subsidy; and

(c) the reasons for such a huge gap between budget estimate and actual subsidy?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) and (b) Against the total requirement of Rs. 34035.75 crore including the liability of Rs.5913.94 crore carried over from the previous financial year, Department of Fertilizers has been provided with an allocation of Rs. 22,452.91 crore including the releases under the first and second batch of supplementary demand for grants 2006-07. Accordingly, Ministry of Finance has been requested to allocate the balance requriement of Rs.11582.84 crore under the third batch of supplementary demands for grants 2006-07.

(c) Steep increase in the prices of inputs/intermediates to the fertilizer industry coupled with the growth in the consumption of fertilizers all over the country have been the reasons for gap in the budget allocation and the actual requirement of subsidy.

Authority to fix the prices of drugs

450. SHRI T. T. V. DHINAKARAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether an authority has been constituted to fix the prices of drugs including life saving and essential drugs;

(b) if so, the details thereof;

(c) whether representations have been received to exclude certain drugs from the list of life saving drugs; and

(d) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B. K. HANDIQUE): (a) to (d) The National

Pharmaceutical Pricing Authority (NPPA) has been constituted as an attached office of the D/o Chemicals & Petrochemicals *vide* Resolution dated the 29th August, 1997 with the task of price fixation / revision and other related matters such as updating list of drugs under price control by inclusion and exclusion on the basis of the established criteria/ guidelines.

The 74 bulk drugs specified in the First Schedule of the Drugs (Prices Control) Order, 1995 (DPCO, 95) and the formulations based thereon are under price control and their prices are fixed / revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 95. These drugs have been kept under price control on the basis of criteria mentioned in 'Modifications in Drug Policy, 1986', announced in September, 1994.

The Drugs (Prices Control) Order, 1995 does not distinguish between life saving and other drugs. There are no specific norms or guidelines to determine as to which drug can be classified as life saving drugs. Every drug in general is considered useful in saving and prolonging of life.

Withdrawal of fertilizer subsidy

†451. SHRI JANESHWAR MISHRA. Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that Government are considering to withdraw subsidy on fertilizers;

(b) if so, the reasons therefore;

(c) whether Government have drawn any action plan to encourage the declining consumption of fertilizers; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B. K. HANDIQUE): (a) No, Sir.

(b) In view of (a) above, question does not arise.

(c) and (d) The consumption of fertilizers has increased during the last three years as indicated below:

† Original notice of the question was received in Hindi.